



LENDER NEWS

A Publication of the Des Moines District Office and Cedar Rapids Branch Office

November, 2005

From the District Director's Desk

Let us Help you with Express and PLP

Dear Lender:

In looking back on this past year's activity in the 7(a) loan program, 208 Iowa lenders participated, an increase of 31 lenders. We thank you for this partnership and commitment.

The loss of LowDoc challenges both you and us this year as we strive to meet the needs our small business customers. We are processing in our local offices one of the country's highest volumes of District processed loans, while some of you are dreading the process of putting together one those "old 7(a) applications." Some of you though have found another way.

We are pleased with the increased interest and the number of requests for SBAExpress and SBA Community Express designations. This makes Iowa 6th amongst the states in number of designated SBAExpress lenders. Those of you who have not utilized these programs yet will find when you do they are very good tools for assisting your small business customers.

If you are a recently approved SBAExpress and/or Community Express lender and would like some training on the use of the program or assistance through those first few applications give us a call we will gladly assist you. It is imperative that if you do have the designations that you use the programs.

Renewal of the designations will be dependent upon the use of the program.

The SBAExpress and Community Express programs limit your ability to use simplified processes for larger loans and the full 7(a) authority of \$2 million. The Preferred Lenders Program (PLP) designation provides an option for those of you who would like to have delegated approval authority and most loan servicing and liquidation authorities using "streamlined procedures."

The PLP designation is for lenders with the demonstrated ability to make and service commercial loans, satisfactory currency and loss ratios, and an active history of using the 7(a) program. While the majority of national/regional lenders operating in Iowa are PLP lenders, only two Iowa chartered institutions have PLP designation.

If you are interested in becoming a PLP lender contact Vern Sample at 515-284-4554 or laverne.sample@sba.gov. We will be happy to assist eligible and active SBA lenders seeking this designation with their nomination request.

Sincerely,

Joseph M. Folsom
District Director

SBA's Surety Bond Guarantee Program

The U.S. Small Business Administration (SBA) can guarantee bonds for contracts up to \$2 million, covering bid, performance and payment bonds for all small and emerging contractors who cannot obtain surety bonds through regular commercial channels.

There is no limit to the number of bonds that can be guaranteed for any one contractor. SBA's guarantee gives sureties an incentive to provide bonding for eligible contractors, and thereby strengthens a contractor's ability to

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INFORMATION

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Cedar Rapids Branch Office

2750 1st Ave. NE - Suite 350
Cedar Rapids, IA 52402
(319) 362-6405
(319) 362-7861

Fresno Servicing Center

Fresno, CA
(559) 487-5650
(559) 487-5803 FAX

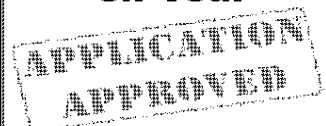
Liquidation & Purchase Center

Herndon, VA
(703) 487-9283
(202) 481-4674 FAX

PLP Processing Center

Sacramento, CA
(916) 930-2463 or 930-2460
(916) 930-2160 FAX

SBA Is Banking on You!



Lenders, encourage and support your loan officers to apply for SBA's "Give a Lending Hand" program and help restore Gulf Coast businesses affected by Hurricanes Katrina and Rita. Private-sector loan officers needed for 60-day assignment to SBA's Fort Worth, Texas loan processing center.

Contact Allan Hoberman,
SBA director of disaster personnel,
202-205-6734
allan.hoberman@sba.gov



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Surety Bond Guarantee Program - For your Contracting Customers

obtain bonding and greater access to contracting opportunities.

A surety guarantee, an agreement between a surety and the SBA, provides that SBA will assume a predetermined percentage of loss in the event the contractor should breach the terms of the contract.

All final bond applications, and all bid bonds resulting in awards, require a processing fee of \$6.00 per thousand dollar of the contract face value. You pay the processing fee, however in the event of cancellation, or if for some reason the bond is not issued, the processing fee will be returned. Generally, it takes only three to

five days to process a properly completed application for an SBA guarantee.

There is no limit on the length of time that a contractor may participate. In SBA's surety bond program; however, the goal is to help contractors to become bondable without SBA assistance.

The following surety's are approved for the surety bond guarantee program: American Contractors' Indemnity, Contractor's Bonding & Insurance Co., Hartford Fire Insurance Co, The Guarantee Company of North America, Westchester Fire Insurance, Explorer Insurance Co., Insurance Company of the

West, SAFECO Insurance Co., Washington International Insurance Co., and Western Surety Co. We are in need of additional agents in Iowa to represent the program. If you have an affiliated insurance agency or know of an insurance agent who may be interested, please contact Dawnelle Conley at 515-284-4913.

For more information on SBA's Surety Bond Guarantee Program please access: www.sba.gov/financing/bonds/whatis.html. National Association of Surety Bond Producers please access: www.nasbp.org/getcompany.cfm?stateabbr=IA

NEW IRS Verification Form - Lenders Can Download Current Form

On November 3, 2005, SBA issued a revised IRS Form 4506-T (November 2005). Form 4506-T is available at www.sba.gov/sba/forms/f4506t.pdf.

Lenders should be advised to use the most current version of the form. Per the instructions on the form, requests for

verification of individual returns filed by Iowans should go to Kansas City:

RAIVS Team
2306 E. Bannister Road
Stop 6705-B41
Kansas City, MO 64130
(816) 823-7667

Requests for verification of other returns filed by Iowa entities should go to Utah:

RAIVS Team
P.O. Box 9941
Mail Stop 6734
Ogden, UT 84409
(801) 620-6922

SBA Lender Activity Report for October

LENDER NAME	LOCATION	#	AMOUNT
Wells Fargo Bank	Iowa	6	\$718,000
Siouxland Econ. Dev. Corp.	Sioux City	4	\$2,859,000
Black Hawk County Econ. Dev.	Waterloo	4	\$2,856,000
Fidelity Bank	Huxley	3	\$,983,000
Iowa Business Growth	Johnston	3	\$500,000
Bank Midwest	Minnesota	2	\$137,000
Collins Community CU	Cedar Rapids	2	\$72,000
First Bank	Johnston	1	\$2,000,000
Farmers Savings Bank & Trust	Vinton	1	\$175,000
State Bank of Toledo	Toledo	1	\$420,000
MidAmerican National Bank	Illinois	1	\$383,638
Small Business Growth Corp.	Illinois	1	\$381,000
Pinnacle Bank	Nebraska	1	\$330,000
Great Western Bank	Clive	1	\$310,000
First State Bank	Nashua	1	\$290,000
ECIA Business Growth, Inc.	Dubuque	1	\$257,000
Bankers Trust Company	Cedar Rapids	1	\$250,000

LENDER NAME	LOCATION	#	AMOUNT
Bank Iowa	Shenandoah	1	\$230,000
Iowa Savings Bank	Carroll	1	\$225,000
First National Bank	Ames	1	\$209,000
Bank Iowa	Altoona	1	\$195,000
American National Bank	Holstein	1	\$150,000
Exchange State Bank	Adair	1	\$148,000
American State Bank	Hull	1	\$110,500
Prairieland Econ. Dev. Corp	Minnesota	1	\$105,000
Farmers Trust & Svgs. Bank	Earling	1	\$69,200
Community Bank	Alton	1	\$50,000
U. S. Bank	Iowa	1	\$30,000
Emmett County State Bank	Estherville	1	\$25,000
Northwoods State Bank	Mason City	1	\$25,000
State Central Bank	Fort Madison	1	\$21,330
Capital One	Virginia	1	\$20,000
Guaranty Bank and Trust Co.	Cedar Rapids	1	\$10,000

The following lenders in Iowa were participant lenders in the SBA's 504 loan program during the month of October

LENDER NAME	LOCATION	#	AMOUNT
Community National Bank	Waterloo	1	\$2,160,244
Prime Bank	LeMars	1	\$1,527,000
Union State Bank	Winterset	1	\$1,527,000
Bankers Trust Co.	Cedar Rapids	1	\$895,000
Mercantile Bank	Illinois	1	\$824,000
MidAmerica National Bank	Illinois	1	\$526,650
First American Bank	Fort Dodge	1	\$410,000

LENDER NAME	LOCATION	#	AMOUNT
Dubuque Bank & Trust	Dubuque	1	\$257,000
Commercial Federal Bank	Cedar Rapids	1	\$246,500
Quad City Bank & Trust	Bettendorf	1	\$205,750
State Bank and Trust	Nevada	1	\$182,000
Security Savings Bank	Larchwood	1	\$110,000
Bank Iowa	Waterloo	1	\$110,000
Peoples Bank	Rock Valley	1	\$61,140